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## Europe: An uneven entente

By Quentin Peel and Hugh Carnegy

France must contend with Germany's growing predominance and its differing vision for European integration



The odd couple: François Mitterrand and Helmut Kohl link hands at the cemetery beside the battlefield of Verdun at a meeting in 1984

One picture sums it up: Helmut Kohl and François Mitterrand holding hands in the Douaumont cemetery in 1984, beside the first world war battlefield of Verdun, where nearly 800,000 French and German soldiers died in pointless slaughter fighting for a few square miles of mud in 1916.

Two middle-aged men in winter overcoats, the German chancellor towering over the French president, they look ill-sorted and slightly uncomfortable. Yet clasping hands, they are determined to demonstrate their shared emotion at this symbolic moment of national reconciliation.

The close political and personal alliance between Mr Kohl and Mr Mitterrand – through the end of the cold war, German reunification, and the negotiation of the Maastricht treaty that decided on the euro as a common currency – was founded on that common understanding. The German conservative and French socialist were the odd couple who personified the Franco-German partnership.

This week, the two countries celebrate the <u>50th anniversary of the Elysée treaty</u>, the document that laid the foundation for their close co-operation on building an integrated European Union, and for the transformation of two hostile neighbours and traditional foes into close allies.

The French and German parliaments will meet in a joint session in the Berlin Reichstag on Tuesday, and the two governments will meet in the office of Angela Merkel, German chancellor. Ms Merkel and François Hollande, French president, will make formal speeches and the parliaments will issue a declaration of mutual understanding and admiration.

Yet for all the pomp, 50 years after the treaty was signed by Konrad Adenauer and Charles de Gaulle in 1963, questions are being asked about the vitality of the partnership.

France's Le Monde newspaper dared to call Tuesday's celebrations a "festival of hypocrisy", suggesting that political relations between Ms Merkel and Mr Hollandewere poisonous and mutual suspicion was rife.

Other analysts, especially in France, worry about the imbalance of power that has emerged since the reunification of Germany in 1990 and the <u>powerful performance of the German economy</u> in contrast to that of France, especially since the outbreak of the global financial crisis.

Jacques Delors, former president of the European Commission and godfather of the euro, pulls no punches. "What is striking is that economically Germany dominates, and <u>France suffers</u> a lot because of its debt and insufficient competitiveness – and so the relationship is unbalanced," he says.

Both Nicolas Sarkozy, former president, and Mr Hollande have tried to compensate, he says, but "the <u>eurozone crisis</u> has evolved in rhythm with the decisions – and lack of decisions – of Ms Merkel. It is not nice to say so, but that is how it is."

Claire Demesmay, head of the programme on Franco-German relations at the German Council on Foreign Relations (DGAP) in Berlin, calls it a "double decoupling". "There has been an imbalance since the fall of the Wall and German reunification," she says. "The original balance was between a France that was strong in foreign policy, and Germany that was a political dwarf, but an economic giant.

"The end of the cold war removed France's special position. To be a nuclear power did not mean so much. So France lost political influence, while it didn't gain economic power. Germany has gained political power with unification, and economic influence too, with the opening up of eastern Europe."

## Polls: Happy to move next door

Both French and Germans have an overwhelmingly positive view of each other's countries, a stark contrast to old feelings of antagonism, writes **Quentin Peel**.

More than 50 per cent would happily live in their neighbouring country, according to a new poll commissioned by German and French public TV and radio broadcasters, including Ard, Arte, Deutschlandradio and Radio France.

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Anne-Marie Le Gloannec, lecturer at Sciences Po university in Paris, sees a suspicion of Germany's new-found prowess fuelling French wariness about its historic enemy.

"Trust is a currency that is getting thinner and thinner," she says. "German impatience with the French, and French irritation over German pre-eminence, is there more than ever. States do not have feelings, but social and political relations are based on trust. It is an absolutely necessary currency for things to function."

Yet participants in the bilateral relationship insist that it was ever thus. The <u>Franco-German partnership</u> has always been far more of a roller-coaster ride of political opposites, than a smoothly functioning motor of European integration.

When the Elysée treaty was signed by Mr Adenauer and Gen de Gaulle in January 1963, it attempted to reconcile two very different world views, and two very different cultures. Chancellor Adenauer's vision was of a federal Europe with strong supranational institutions. Gen de Gaulle favoured a "Europe des patries" in which the nation states would remain the dominant players.

Indeed, the French leader saw the <u>alliance with Germany</u> as a counterweight to the dominant role of the US in Europe. But when Mr Adenauer presented the treaty to the German Bundestag, he faced a fierce backlash from Atlanticists in his own party who mistrusted the Gaullist strategy. They insisted on writing a preamble to the treaty, underlining the vital role of the Atlantic alliance, beside the Franco-German partnership. President de Gaulle was furious. "If this is a marriage contract, then I am still a virgin," he supposedly retorted.

The treaty consists of two pillars. One is bureaucratic, committing both governments to a series of regular meetings, from heads of government down to civil servants. The other is cultural, starting a whole series of school and student exchanges, town twinnings and the promotion of learning each other's languages

The former has ensured that, regardless of the political persuasion of governments in Berlin and Paris, meetings carry on to forge common European positions.

"The first question we always ask about any European policy is: what does Paris say?" says Michael Link, German state minister for Europe. "We seek Franco-German compromises, not to tell Europe what to do, but to make solutions more likely." France's Valéry Giscard d'Estaing looks back on his presidency of 1974-1981, when he and German Chancellor Helmut Schmidt battled the economic crises of the 1970s, as a model for relations between the two countries.

"It was a golden age," he tells the FT in his wood-panelled office in his elegant Paris apartment. "We consulted one another every week. If you look at the papers and documents of the time, there was not a single expression of dissent.

"We both had been in the war. Helmut Schmidt was in the German army, I was in the American army. We shot at each other. We had an experience that was not conducive to [friendship]. But despite or because of that, we had a full understanding for each other's politics."

Now a sprightly 86-year-old, Mr Giscard d'Estaing is certain that the Franco-German relationship will last.

"It is enough to read the history books of the last two centuries to understand that the French-German rapprochement is now irreversible," he says. "There is no event, no person, who can put it in danger. It can be more or less productive, but it can't be called into question."

. . .

Yet the Giscard-Schmidt era of co-operation is exceptional for having run so smoothly.

On economic policy, the nations are often far apart. Germany has always been committed to an independent central bank, for example, whether it is the German Bundesbank, or the European Central Bank. Paris has constantly sought political control over monetary policy. It has been one of the tensions complicating crisis management in the eurozone.

The original treaty failed to incorporate any reference to economic policy co-ordination, because the differences were seen as too great. France was too committed to preserving the role of the state, and Germany to the promotion of the market economy. Fifty years later, such fundamental differences in outlook remain unreconciled.

Gérard Errera, former secretary-general of the French foreign ministry, sees it as a constant tension: "The constraint on the Franco-German relationship is that we are different on everything – our institutions, our history, our culture – and we don't always understand each other. Yet, we have to agree to make Europe work. So it always requires huge efforts to achieve compromises."

A senior German diplomat sees it in much the same way: "Franco-German co-operation is counterintuitive. There is a common misperception that France and Germany are doing things together because we want to. That's rubbish," he says. "We are different on every choice of substance between us, whether it is free trade versus protectionism, creating a strategic defence industry or being complementary with the Americans, or what we put on the table: beer or wine.

"But only if these two starting points can be reconciled is there a chance of moving Europe forwards."

Joachim Fritz-Vannahme, head of the Future of Europe project at the Bertelsmann Foundation, says that "the strength of the relationship comes not from having identical positions, but from the differences. Once you know about the differences, you can approach how to reconcile your positions.

"You have a president of France who says we need a social Europe – fairer and showing more solidarity. You have Ms Merkel and the Germans saying we will never get there if we don't have fiscal discipline: solidity first. If you combine solidity with solidarity, you have the principles of a better Europe."

Bruno Le Maire, German-speaking former European affairs minister under Mr Sarkozy, cautions that <u>France's economic weakness</u> has undermined confidence in Berlin.

"France has got to regain credibility with Germany and that only comes through the economy," he says, "fixing growth, unemployment and the debt. Nothing works without this."

A senior French official argues that the process has started. "It is true there is an economic imbalance," he says.

"France has lost 10 years. Germany reformed, now we are doing it in much more difficult conditions. But the balance in the relationship is not just in the economy."

Ulrike Guérot of the European Council on Foreign Relations sees the pressure on both countries to restore the "symmetry of asymmetry". "Each country has strengths and weaknesses," she says. "If they want to re-establish the symmetry, they must stop the discourse that only France can learn from Germany. We can learn from the French a better family policy, and they can learn from our apprenticeship training."

But the real challenge is to agree a common vision of the route to closer economic and political integration in the eurozone, she says. On that score, Germany is still committed to a more "federal" Europe, with strong common institutions, and France to a more "intergovernmental" Europe, with the nation state paramount.

Fifty years after the Elysée treaty was signed, they still have not agreed on that fundamental question.

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